

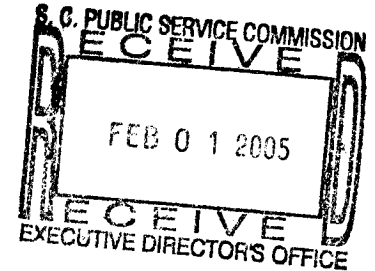
ELLIS:LAWHORNE

John F. Beach
Direct dial: 803/343-1269
jbeach@ellislawhorne.com

January 31, 2005

VIA ELECTRONIC AND 1ST CLASS MAIL SERVICE

The Honorable Charles L.A. Terreni
Executive Director
South Carolina Public Service Commission
Post Office Drawer 11649
Columbia, South Carolina 29211



RE: South Carolina Electric & Gas Company Annual Review of Base Rates for
Fuel Costs
Docket No. 2005-2-E, Our File No. 925-10289

Dear Charles:

Enclosed is the original and ten (10) copies of the **Petition to Intervene** for filing on behalf of SMI Steel-South Carolina in the above-referenced docket. By copy of this letter, I am serving all parties of record and enclose my certificate of service to that effect.

Please acknowledge your receipt of this document by file-stamping the copy of this letter enclosed, and returning it via the person delivering same.

If you have any questions or need additional information, please do not hesitate to contact me.

With kind regards, I am

Very truly yours,

John F. Beach

JB/cr

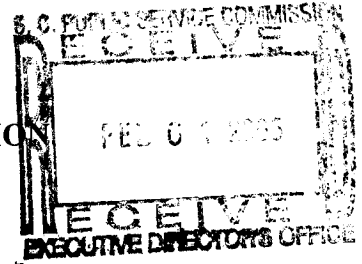
cc: Damon Xenopoulos, Esquire
all parties of record

Enclosures

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**BEFORE THE
SOUTH CAROLINA PUBLIC SERVICE COMMISSION**



In the Matter of:)

South Carolina Electric & Gas Company)
Annual Review of Base Rates for Fuel)
Costs)

Docket No. 2005-2-E

INTERVENOR
4-2-3/30/05 10:30

PETITION TO INTERVENE OF SMI STEEL-SOUTH CAROLINA

SMI Steel-South Carolina ("SMI") hereby petitions to intervene in the above-captioned proceeding. SMI states the following grounds in support of its petition.

1) SMI owns and operates a steel producing facility in Cayce, South Carolina. This facility utilizes an electric arc furnace ("EAF") to melt recycled scrap steel. This process requires SMI to purchase very large quantities of electricity from South Carolina Electric & Gas Company ("SCE&G") at a cost of millions of dollars a year. Because the cost of electricity is one of the major costs of steel-making utilizing an EAF, the cost of electric power directly affects SMI's ability to produce steel at a competitive price. SMI is one of the largest retail customers of SCE&G.

2) The Commission has instituted this proceeding to consider whether to adjust the base rate amount designed to recover fuel costs. Due to the magnitude and unique characteristics of its load, SMI cannot be represented adequately by any other party to this proceeding. At this stage of the proceeding, SMI has not fully determined what positions it may take.

RECEIVED

FEB 03 2005

PSC SC
DOCKETING DEPT.

RETURN DATE:

SERVICE: PK DBD

3) SMI's mailing address is:

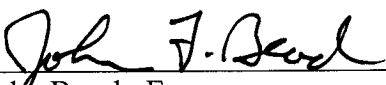
SMI - South Carolina
310 New State Road
Cayce, SC 29033

4) SMI is represented by the Washington, D.C. law firm of Brickfield, Burchette, Ritts & Stone, P.C. in various matters regarding electric rates and service. In the past few years, attorneys of the firm have appeared before this Commission, the Federal Energy Regulatory Commission, and many other state utility commissions. In accordance with Rule 103-804 S.(1)(b) of the Commission's Rules of Practice and Procedure, Brickfield, Burchette, Ritts & Stone, P.C. will associate with John Beach, Esq. of Ellis, Lawhorne & Sims, P.A., local counsel licensed to practice in South Carolina. Service and correspondence regarding this proceeding should be sent to both of the undersigned.

WHEREFORE, for the reasons set forth above, SMI respectfully requests permission to intervene in this proceeding.

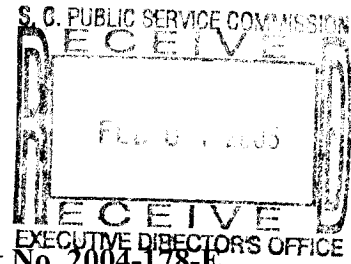
Respectfully submitted,

Damon E. Xenopoulos, Esq.
BRICKFIELD, BURCHETTE, RITTS & STONE, P.C.
1025 Thomas Jefferson Street, N.W.
Eighth Floor -- West Tower
Washington, D.C. 20007



John Beach, Esq.
ELLIS, LAWHORNE & SIMS, P.A.
1501 Main Street, 5th Floor
Columbia, SC 29201
Telephone: 803/779-0066
Facsimile: 803/799-8479

**BEFORE THE
SOUTH CAROLINA
PUBLIC SERVICE COMMISSION**



In the Matter of:)

South Carolina Electric & Gas Company)
Application for Adjustment in the Company's)
Electric Rate Schedules and Tariffs)

Docket No. 2004-178-E

This is to certify that I have caused to be served this day, one (1) copy of the Petition to Intervene and the January 31, 2005 letter to the Honorable Charles L.A. Terreni, via electronic mail service and by first-class mail service as follows:

Catherine Taylor, Esquire
SCANA Corporation
Legal Department
Columbia SC 29218

South Carolina Electric & Gas Company
Mitchell Willoughby, Esquire
Willoughby & Hoefer, PA
Post Office Box 8416
Columbia, SC, 29202

South Carolina Energy Users Committee
Scott A. Elliott, Esq.
Elliott & Elliott
721 Olive St.
Columbia SC 29205

Office of Regulatory Staff
Legal Department
PO Box 11263
Columbia SC 29211


Carol Roof

January 31, 2005
Columbia, South Carolina